

IN THE SENATE

SENATE BILL NO. 1171

BY FINANCE COMMITTEE

AN ACT

APPROPRIATING MONEYS TO THE ENDOWMENT FUND INVESTMENT BOARD FOR FISCAL YEAR 2010; LIMITING THE NUMBER OF FULL-TIME EQUIVALENT POSITIONS; PROVIDING A CONTINUOUS APPROPRIATION FOR CERTAIN COSTS; EXPRESSING LEGISLATIVE INTENT REGARDING THE TRANSFER OF MONEYS FROM THE EARNINGS RESERVE FUNDS TO THE INCOME FUNDS; PROVIDING LEGISLATIVE INTENT ON PERSONNEL COSTS; DIRECTING SALARY REDUCTIONS; AND DECLARING AN EMERGENCY FOR SECTION 6 OF THIS ACT.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby appropriated to the Endowment Fund Investment Board the following amounts to be expended according to the designated expense classes from the listed funds for the period July 1, 2009, through June 30, 2010:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDI- TURES	FOR CAPITAL OUTLAY	TOTAL
FROM:				
Miscellaneous Revenue Fund	\$97,500	\$36,800	\$1,000	\$135,300
Endowment Administrative Fund	<u>292,800</u>	<u>160,100</u>	<u>6,000</u>	<u>458,900</u>
TOTAL	\$390,300	\$196,900	\$7,000	\$594,200

SECTION 2. In accordance with Section 67-3519, Idaho Code, the Endowment Fund Investment Board is authorized no more than four (4) full-time equivalent positions at any point during the period July 1, 2009, through June 30, 2010, for the program specified in Section 1 of this act, unless specifically authorized by the Governor. The Joint Finance-Appropriations Committee will be notified promptly of any increased positions so authorized.

SECTION 3. The Endowment Fund Investment Board is hereby granted continuous appropriation authority for moneys in the Endowment Administrative Fund for consulting fees, bank custodial fees and portfolio-related external costs for the period July 1, 2009, through June 30, 2010.

SECTION 4. It is legislative intent that for fiscal year 2009, the Endowment Fund Investment Board transfer \$45,655,200 as follows: \$31,292,400 from the Public School Earnings Reserve Fund to the Public School Income Fund; \$850,800 from the Agricultural College Earnings Reserve Fund to the Agricultural College Income Fund; \$2,964,000 from the Charitable Institutions Earnings Reserve Fund to the Charitable Institutions Income Fund; \$2,661,600 from

1 the Normal School Earnings Reserve Fund to the Normal School Income Fund; \$1,040,400
2 from the Penitentiary Earnings Reserve Fund to the Penitentiary Income Fund; \$2,984,400 from
3 the Scientific School Earnings Reserve Fund to the Scientific School Income Fund; \$1,532,400
4 from the Mental Hospital Earnings Reserve Fund to the Mental Hospital Income Fund; and
5 \$2,329,200 from the University Earnings Reserve Fund to the University Income Fund.

6 SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature to retain to the
7 extent possible, our capable, quality employees who support the essential services and statuto-
8 rily authorized programs that the citizens of Idaho expect. The Legislature finds these critical
9 essential services to be those that maintain the health and safety of our citizens and the ed-
10 ucation of our children. While extending flexibility to the Governor and agency directors to
11 manage the state workforce to the best of their ability during these difficult times, it remains the
12 responsibility of the Legislature to identify priorities for the state workforce. The Legislature
13 finds that reductions in personnel funding shall first be managed through salary reductions that
14 impact all personnel fairly; secondly, be mitigated by the use of existing salary savings; thirdly,
15 by using savings created by keeping newly vacated positions unfilled; fourth, by the use of fur-
16 loughs; and lastly, as a last resort, by reducing the workforce. It is the intent of the Legislature
17 that these policies shall be adhered to by the executive, legislative, and judicial branches to the
18 extent allowed by law.

19 SECTION 6. SALARY REDUCTION. Inasmuch as salary reductions will save jobs; and
20 inasmuch as a five percent (5%) reduction in personnel funding may create a reduction in force;
21 and inasmuch as the state as a single employer of multiple departments and agencies is required
22 by law to direct across the board salary adjustments; agencies and institutions shall reduce all
23 salaries of classified and nonclassified employees, regardless of fund source, by three percent
24 (3%) for fiscal year 2010, beginning on June 14, 2009, through June 12, 2010. Agencies shall
25 use personnel cost savings, furloughs, and a reduction in force to manage the remaining two
26 percent (2%) in funding reductions. The Division of Human Resources shall adjust all pay
27 schedules for the classified personnel system downward to the extent that all beginning mini-
28 mum salaries are three percent (3%) less than those in effect upon the date of passage of this
29 law.

30 SECTION 7. An emergency existing therefor, which emergency is hereby declared to
31 exist, Section 6 of this act shall be in full force and effect on and after passage and approval.